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FM AMEMBASSY KATHMANDU
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INFO RUEHLM/AMEMBASSY COLOMBO PRIORITY 4122
RUEHKA/AMEMBASSY DHAKA PRIORITY 9191
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2106
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9131

UNCLAS KATHMANDU 000328

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DEPT FOR SA/INS
NEW DELHI FOR JDOZIER
USPACOM FOR JIATF WEST,
FROM THE AMBASSADOR

E.O. 12958: N/A
TAGS: [ECON](#) [KCOR](#) [KFRD](#) [CVIS](#) [SNAR](#) [PTER](#) [NP](#)
SUBJECT: REQUEST FOR JIATF-WEST ASSESSMENT

REF: A. 05 KATHMANDU 2781
[1](#)B. 05 KATHMANDU 2948
[1](#)C. 05 KATHMANDU 2257
[1](#)D. 05 KATHMANDU 2134
[1](#)E. 05 KATHMANDU 2727

[1](#)1. (U) This is an action request, see paragraph 6.

SUMMARY

[1](#)2. (SBU) There is considerable political instability in Nepal, which is in the midst of an ongoing Maoist insurgency. The current condition of the country has contributed to Nepal being used as a staging and transit area for alien smuggling, with the increasing possibility of terrorists using Nepal as a transit point to the United States. There is an upsurge in the number of Nepalese involved in narcotics trafficking. According to media reports, it is highly likely that Maoist insurgents traffic weapons into Nepal for their own use. Also, if the Maoists ever took control of the country, a rise in crimes such as money laundering and cyber-smuggling would likely follow. Post requests that the Joint Inter-agency Task Force West (JIATF West) conduct an assessment in Nepal. End Summary.

ALIEN SMUGGLING, POSSIBLE TRANSIT POINT FOR TERRORISTS

[1](#)3. (U) Nepal's proximity to India and China, its lax or corrupt border patrols, and the sizeable number of international flights in and out of Kathmandu have contributed to Nepal being used as a staging and transit area for the organized smuggling of people to the United States and Europe. Post is concerned that terrorists could use Nepal as a transit point or conduit for entry into the United States (ref B). High levels of corruption in the country, combined with the open border with India, provide a setting in which a third-country national with ill intent could easily buy fraudulent Nepalese documents and attempt to travel from Nepal to the United States, pretending to be a Nepalese citizen. Obtaining fraudulent documents is very easy in Nepal. There is a thriving business for fraudulent documents as increasing numbers of Nepalis seek to leave the country due to the ongoing Maoist insurgency. Corruption of government officials also makes genuine, but illicit, documents easily obtainable. Immigration and customs officials have noted a need for equipment and training in order to enhance overall enforcement efforts at the

international airport and border areas (ref A). Embassy Kathmandu has worked closely with officials from the Department of Homeland Security (DHS), Immigration and Customs Enforcement, New Delhi, who conducted well-received document verification and contraband identification and seizure training in Kathmandu in 2005 (refs C and D).

NARCOTICS TRAFFICKING INCREASING

¶4. (U) Nepal's Narcotics Drug Control Law Enforcement Unit (NDCLEU, the main government body charged with combating drug trafficking in Nepal) reports that Nepalese are investing and taking a larger role in running narcotics trafficking operations (ref E). The pattern of narcotics seizures suggests that narcotics transit Nepal from India, Pakistan and Afghanistan to other countries in the region and to Europe, North America and Japan. The NDCLEU has identified the United States as a final destination for some drugs transiting Nepal. A lack of transport, communications and surveillance equipment constrains the NDCLEU's effectiveness. Security measures to interdict narcotics and contraband at Kathmandu's international airport are inadequate. The ongoing Maoist insurgency has also had an impact on the rule-of-law and interdiction efforts in many parts of the country. Maoist insurgents have used drug smuggling to finance their insurgency.

ARMS TRAFFICKING, MONEY LAUNDERING, CYBER-SMUGGLING

¶5. (U) Arms trafficking, money laundering, and cyber-smuggling are problems of varying degrees in Nepal. There is draft legislation pending cabinet approval that would strengthen Nepal's money laundering enforcement regime. According to media reports, it is highly likely that Maoist insurgents bring weapons into Nepal through the porous border with India for their own use, but they do not appear to traffic weapons to third countries. While there are no indications that Nepal is a center for money laundering or cyber-smuggling, police have expressed interest in training on money laundering and financial crimes, as well as how to track propaganda e-mails sent by Maoists, which could be relevant to various forms of cyber-smuggling. If the Maoists ever succeeded in taking control of Nepal, the greatest fear would be that Nepal could become a safe-haven for other terrorists, similar to Afghanistan under the Taliban. To avoid this doomsday scenario, any efforts to improve enforcement efforts related to arms trafficking, money laundering, and cyber-smuggling would be of benefit to Nepal during these tenuous times.

REQUEST FOR JIATF WEST ASSESSMENT

¶6. (SBU) From the information above, one can see the potential for harm against the United States. I strongly believe an assessment from JIATF West could enhance USG efforts to strengthen Nepal's overall enforcement capacity in areas such as alien smuggling, terrorist insurgency, and border interdiction methods to address transnational crime (narcotics interdiction, money laundering, trade fraud, cyber-smuggling and general smuggling), thus taking necessary steps to protect the United States. I hereby request JIATF West to conduct an initial assessment in Nepal at its earliest convenience and to inform Post of its ability to do so.

MORIARTY